IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE

| BEARBOX LLC and AUSTIN STORMS, | |
|---|---------------------------|
| Plaintiffs, |) |
| v. |) C.A. No. 21-534-GBW-CJB |
| LANCIUM LLC, MICHAEL T. MCNAMARA, and RAYMOND E. CLINE, JR. |))) PUBLIC VERSION) |
| Defendants. |) |

DEFENDANTS' REPLY IN SUPPORT OF ITS MOTION FOR DISCLOSURE OF THIRD-PARTY LITIGATION FUNDING ARRANGEMENTS

Lancium's¹ Motion for Disclosure of Third-Party Litigation Funding Arrangements (D.I. 214) ("Motion") should be granted. Plaintiffs' Opposition does not dispute the propriety of disclosing *information* relating to third-party funding, but rather attempts to recast Lancium's Motion as a discovery dispute regarding the disclosure of funding-related *documents*. But Lancium's Motion did not seek the disclosure of such documents. Instead, it simply requested the Court require Plaintiffs to disclose *information* about third-party funding arrangements as Chief Judge Connolly and the entire District of New Jersey requires. *See* N.J. Civ. RULE 7.1.1 ("Disclosure of Third-Party Litigation Funding").

Plaintiffs argue that disclosure of third-party funding arrangements is not relevant to this case. Opposition at 1. But Chief Judge Connolly and the District of New Jersey would not have ordered disclosure of irrelevant information. Additionally, as set forth in Lancium's motion, such disclosure is relevant to avoid conflicts, promote efficiency, and assure there are no eleventh-hour complications in this case.

¹ Defendants Lancium LLC, Michael T. McNamara, and Raymond E. Cline Jr are herein referred to as "Lancium."

Plaintiffs next argue that documents pertaining to litigation funding are protected by the

work-product doctrine. However, as stated above, Lancium is not presently requesting Plaintiffs'

litigation funding documents. Lancium is only requesting disclosure of the arrangements.

Finally, Plaintiffs attempt to brush aside Lancium's arguments as speculative, citing *United*

Access Techs., LLC v. AT&T Corp., No. CV 11-338-LPS, 2020 WL 3128269, at *1 (D. Del. June

12, 2020). There is nothing speculative about Lancium's request—Mr. Storms testified under oath

that a third party was paying his attorneys' fees. Moreover, *United Access* is inapposite because,

again, Lancium's requested relief is merely a disclosure of information—not documents.

For all these reasons, Lancium respectfully asks the Court to grant its Motion and require

Plaintiffs to formally disclose their third-party litigation funding arrangement(s).

Dated: November 8, 2022

Public Version filed on November 22, 2022 **BARNES & THORNBURG LLP**

/s/ Chad S.C. Stover

Chad S.C. Stover (No. 4919)

222 Delaware Ave., Suite 1200

Wilmington, Delaware 19801-1050

Telephone: (302) 300-3474

E-mail: chad.stover@btlaw.com

Mark C. Nelson (admitted *pro hac vice*)

David M. Lisch (admitted *pro hac vice*)

Benjamin T. Pendroff (admitted *pro hac vice*)

2121 N. Pearl Street, Suite 700

Dallas, TX 75201

Tel: (214) 258-4140

E-mail: mark.nelson@btlaw.com

E-mail: david.lisch@btlaw.com

E-mail: bpendroff@btlaw.com

2

Adam M. Kaufmann (admitted *pro hac vice*) Darrick Hooker (admitted *pro hac vice*) Dana Amato Sarros (admitted *pro hac vice*) One North Wacker Drive, Suite 4400 Chicago, IL 60606

Tel: (312) 214-8319

Email: adam.kaufmann@btlaw.com Email: darrick.hooker@btlaw.com Email: dana.sarros@btlaw.com

Attorneys for Defendants Lancium LLC, Michael T. McNamara, and Raymond E. Cline Jr.